



Meeting Minutes: Executive Steering Committee
May 03, 2024, 8:30 a.m.
Airport Center - Boeing Conference Room

Attendees:

- Erik Walsh, City Manager
- Jeff Coyle, Assistant City Manager
- Troy Elliott, Deputy Chief Financial Officer
- Andy Segovia, City Attorney
- Tino Gallegos, Assistant City Attorney
- Tacorian Tilley, Management Fellow
- Jesus Saenz, Director of Airports, Aviation
- Tim O'Krongley, Deputy Director-TDP, Aviation
- Tom Bartlett, Deputy Director- Administration, Aviation
- Debbie Drew, Chief Integration Officer, Aviation
- Michael Garnier, Chief Finance and Administration Officer, Aviation
- Sam Rodriguez, Chief Development Officer-CIP, Aviation
- Jim Tiefenthaler, Chief Development Officer-TDP, Aviation
- Eric Smith, Consultant, Kaplan, Kirsch & Rockwell (virtual)
- Dan Molloy, Managing Director SVP, Anser Advisory (virtual)
- Dave Brandenburg, Managing Director, SVP, Anser Advisory
- Mike Glaser, Deputy EPM, Anser Advisory
- Jennifer Sanchez, Project Specialist, Anser Advisory
- Juan Sierra, Principal/Vice President, Freese and Nichols (virtual)

Standing Items:

1. Terminal Development Program (TDP) Status

a. Budget Journey Progress- Dave Brandenburg

- i. Slide #5- Dave Brandenburg explained the objective of the current budget journey process is to validate the initial pricing model and find strategic opportunities.
- ii. Slide #6- Dave Brandenburg discussed the steps completed thus far included various workshops and a review of design options proposed by the CMAR. The team had a briefing last week of four options. The team currently reviewing design construction efficiencies and is on schedule.
- iii. Andy Segovia asked when the information would be shared with the airlines.



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- iv. Michael Garnier answered May 29.
- v. Discussion occurred between the group regarding a timeline strategy to ensure the airlines can be provided the information on May 29. The group agreed to meet on May 17th to review the options and discuss the information that will be required to provide the airlines. It was noted the airlines are requesting the budget number and the projects it includes.
- vi. Slide #7- Dave Brandenburg noted the budget opportunities identified in the work sessions were categorized into three sections: 1) Right Sizing, 2) Alternatives/Design Options, and 3) Scope Reduction.
- vii. Slide #8- Dave Brandenburg noted a budget scorecard has been developed. The scorecard is a comparison of the original PDM, CMAR estimate, and the various options and how they affect the budget, design and constructability.
- viii. Slide #9- Dave Brandenburg noted the next steps are to make a priorities list and complete a pre-liminary selection then complete a final scorecard with options. Step three will be to finalize target values, which will be part of the workshop.
- ix. Jesus Saenz noted the workshop on May 17th will start to framework the projects and will be included as an attachment in the AULA agreement, along with the budget.

b. Airline Gating Recommendation- Dave Brandenburg

- i. Slide #11- Dave Brandenburg noted approximately thirty-one various gating plans were reviewed. The recommendation strategy included a legal opinion, cost avoidance in the gating plan, or money we would not have to spend, and work with the Master Architect to load balance the facility.

- ii. Slide #12- Eric Smith

[REDACTED]

Scoring sheets were completed and included point values. Other factors reviewed were finance and the Master Architect recommendation. Additionally, commitments to clubs were reviewed.



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- iii. Erik Walsh asked who completed the scoring sheets.
- iv. Michael Garnier answered Eric Smith.
- v. Slide #13- Dave Brandenburg stated an analysis of various gating plans was completed and savings would occur if two airlines were relocated versus other options that require relocating four airlines. Those savings were \$2M savings in relocation costs for holdrooms and offices and \$7M savings in relocation costs for United Club.
- vi. Jesus Saenz noted the group needs to understand the long-term impact when decisions are made for the terminal complex.
- vii. Slide #14- Dave Brandenburg noted the goal of the Master Architect recommendation was to review customer experience, balancing load, baggage handling system, and check-in. It was noted there was no perfect solution in any gating assignment. It was noted there is always a review of what is needed for 2040.
- viii. Jesus Saenz noted the airport is three years ahead in passenger activity level (PAL).
- ix. Slide #15- Dave Brandenburg noted the facility requirements were based upon meeting with the Airline Technical Representative (ATR) and speaking with the airlines. American Airlines requested six gates, Delta Air Lines requested five gates, Southwest Airlines requested ten gates, United Airlines requested five gates, and Spirit Airlines requested one gate. Additionally, airline clubs were requested from American, Delta, and United. It was noted check-in positions will evolve as we go into design and meet with each airline to get their vision for Pal 2 and Pal 4.
- x. Slide #16- Dave Brandenburg explained a Ground Transportation Center (GTC) is required to remove Transportation Network Carriers (Lyft, Uber, etc.) off the curbside. Additionally, there is a need to expand the curbside.
- xi. Slide #17- Dave Brandenburg presented the Master Architect gating assignment recommendation. From airside the pro is there are no split operations for



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signatory carriers. The con is non-signatory domestic OALs may have split operations. The pros for terminal processing is there are large club spaces in terminal B expansion. Delta will also be able to provide direct access for some gates from the potential lounge. The con is non-signatory domestic OAL require additional check-in counters constructed in Terminal B. The curbside pros are Terminal B expansion arrivals curbside operates are Level of Service B (LoS) for PAL 2. Terminal A arrivals curbside operates at LoS B for PAL 2, and existing Terminal B arrivals curbside operates at LoS C for PAL 2. The cons include Terminal B expansion arrivals curbside operates at LoS D for PAL 4. Terminal A arrivals curbside operates at LoS D for PAL 4, and existing Terminal B arrivals curbside operates at LoS E for PAL 4. It was noted the dynamic of the airport and arrivals/departures will change in the next 25-30 years.

- xii. Tim O'Krongley added the GTC will pull traffic off the curbside.
- xiii. Erik Walsh asked when work will be completed in Terminal A.
- xiv. Dave Brandenburg answered it will be post DBO and there is approximately \$5M in the existing budget.
- xv. Jesus Saenz noted there will need to be a review of what check-in counters would like look for Terminal A.
- xvi. Erik Walsh asked if the city gates are for non-signatory use.
- xvii. Dave Brandenburg answered yes.
- xviii. There was a discussion between the group explaining international departures can occur from the new ground load facility (GLF) but will arrive in the new terminal. Additionally, it was noted there is a possibility there may be a cost increase to fly out of the new terminal versus the GLF. The GLF will also serve as a temporary relocation when Terminal A renovations are completed
- xix. Slide #18- Dave Brandenburg noted the gating scorecard included factors such as the number of gates requested, clubs, and international flights.



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- xx. Slide #19- Dave Brandenburg noted the next steps are to confirm the recommendation with ESC and then have individual meetings with airlines to share the outcome of the gating assignment.
- xxi. Jesus Saenz noted the first meeting with airlines will be with Southwest, followed by American.
- xxii. Dave Brandenburg noted the challenge with United is they want a bigger club, and the space may not be available. Concession space may need to be moved to keep square footage.
- xxiii. Troy Elliott noted he will review the concessions RFP for language.

c. AULA Update- Michael Garnier

- i. Slide #21- Michael Garnier noted on April 30 the airlines proposed a revised financial deal from the previous proposal submitted April 12. It was noted the airport will continue with the path of rates by ordinance if an agreement is not made.
- ii. Jesus Saenz added the airlines have asked for a short-term extension. It was noted if the deal is beneficial, we should consider the extension.
- iii. The committee provided approval to move forward with the recommended gating assignment.
- iv. Erik Walsh asked when budgeting would occur for the pot-DBO work in Terminal A. - work in TA post-DBO.
- v. Michael Garnier answered \$200M has already been included in the Capital Improvement Plan and will be included in the AULA agreement as a pre-approved project. It was noted the \$200M is included in the rate modeling.
- vi. It was noted Terminal A renovations cannot be completed while building the new terminal. Additionally, it was discussed a discounted CPE for Terminal A until renovations are complete is under review

Decision: The committee provided approval to move forward with the Airline Gating Assignment as presented

2. Decisions Needed



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- a. No Items This Week
- 3. Impact to the Critical Path
 - a. No Items This Week
- 4. Non-Terminal Development Program Items
 - a. No Items This Week

Discussion:

- No Items This Week

Next Meeting for Executive Steering Committee

Next Meeting: May 17, 2024

TBD\Upcoming Topics:

- a. NEPA Update
- b. Building Elevation
- c. Governance KPIs
- d. Delegation of Authority
- e. Air Service Strategy

	Action Item or Decision	Description	If assigned during the meeting, name	Date of Scheduled Completion
1.	Decision	The committee provided approval to move forward with the Airline Gating Assignment as presented	n/a	